



JON M. HUNTSMAN, JR.  
Governor

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Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

### Division of Oil, Gas & Mining

MICHAEL R. STYLER  
Executive Director

JOHN R. BAZA  
Division Director

### Inspection Report

### Minerals Regulatory Program

Date:

Reviewed: 

<b>Mine Name:</b> Heaton Livestock Mine	<b>Permit Number:</b> no permit
<b>Operator Name:</b> Heaton Livestock Co.	<b>Inspection Date:</b> August 31, 2010
<b>Inspector(s):</b> John Rogers	<b>Time:</b> 11:00 am
<b>Other Participants:</b> Raymond Heaton	<b>Mine Status:</b> no mining has occurred

Elements of Inspection	Evaluated	Comment	Enforcement
1. Permits, Revisions, Transfer, Bonds	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Public Safety (shafts, adits, trash, signs, highwalls)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Protection of Drainages / Erosion Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Deleterious Material	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Roads (maintenance, surfacing, dust control, safety)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Concurrent Reclamation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Backfilling/Grading (trenches, pits, roads, highwalls, shafts, drill holes)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Water Impoundments	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Soils	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Re-vegetation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Air Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Purpose of Inspection:** On August 16, 2010 the Division of Oil, Gas and Mining received your application for a Notice of Intent to mine gravel in Kane County. Under the mining rules, gravel is a unique situation in that depending on its origin and state, it may or may not need to be permitted by the Division. The purpose of this inspection was to determine if a mining permit would be necessary for the operation for mining gravel per the mining rule.

**Inspection Summary:** The site was field inspected with Raymond Heaton (operator and land owner) in accordance with R647-1-106. Under the mining definitions of this rule: "mining operations do not include: the extraction of gravel and rock aggregate." The site is non-cemented alluvial gravel and rock aggregate. The material is not bedrock and is in the category of gravel and rock aggregate by the mining rule definitions. Kane County operates a gravel pit about .5 miles to the north in a similar geological setting and it is definitely alluvial and non-permitted.

**Conclusions and Recommendations:** It was determined that the deposit was gravel and rock aggregate by definition and the quarry would not need a permit from the Division. It was



Inspection Date: 05/26/2009

Page 2 of 3

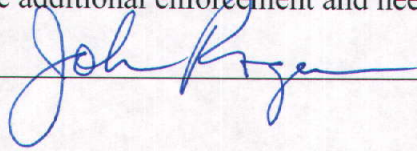
M/045/0028

recommended that the operator notify Kane County of this gravel operation because local county ordinances may require additional enforcement and needs concerning this project.

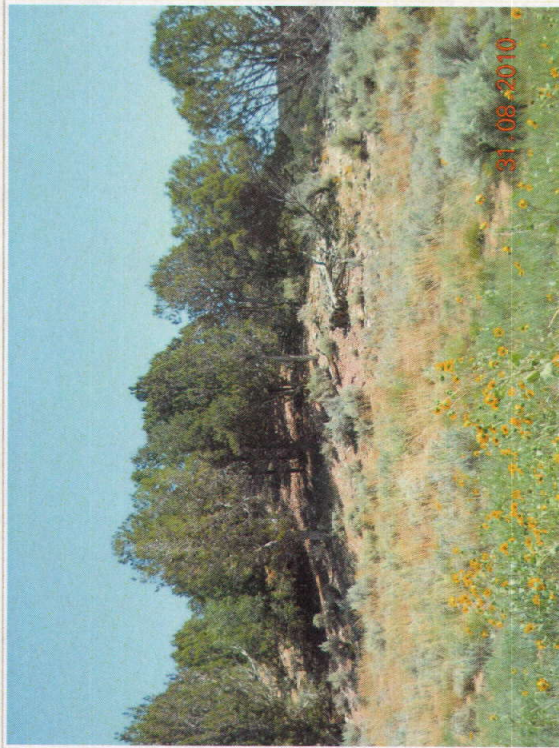
**Inspector's Signature**

JCR:eb

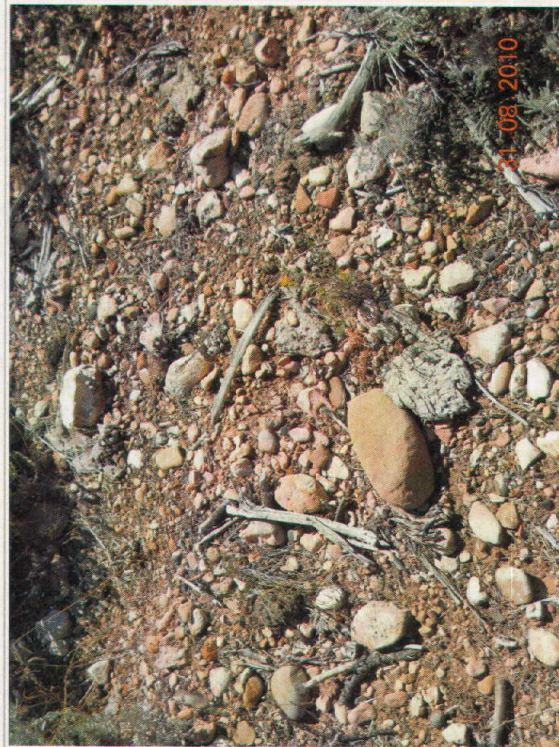
cc: Raymond Heaton

A handwritten signature in blue ink, appearing to read "John R. Heaton", is written over a horizontal line.





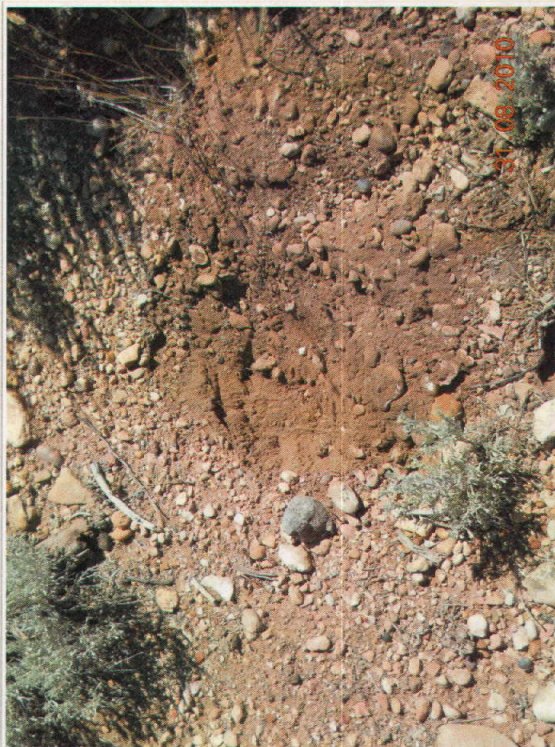
Looking NE at knoll to be mined (area with trees)



Close up of surface



Close up of surface



Close up of surface



This Section for DOGM Use:  
Assigned DOGM File No.: S  
DOGM Lead: \_\_\_\_\_  
Permit Fee \$ \_\_\_\_\_ Ck # \_\_\_\_\_

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING  
1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
Telephone: (801) 538-5291 Fax: (801) 359-3940

NOTICE OF INTENTION TO COMMENCE SMALL MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1987, and the General Rules as promulgated under the Utah Minerals Regulatory Program.

Note on confidentiality: Information provided in the notice of intention relating to the location, size, or nature of the mineral deposit that is clearly marked confidential will be protected as confidential. Each page or map requested to be kept confidential must be stamped or marked as such. The requested confidential information must describe how the confidential material relates to the location size or nature of the mineral deposit; provide a written claim of business confidentiality; and/or include a concise statement of reasons supporting the claim of business confidentiality, unless disclosing the location of explosives or historic, prehistoric, paleontological, or biological resource that must be considered confidential under statute.

"Small Mining Operations" mining operations which have a disturbed area of five or less surface acres at any time.

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I. **GENERAL INFORMATION** (Rule R647-3-104)

1. Name of Mine: Heaton Livestock Mine
2. Legal name of entity (or individual) for whom the permit is being requested: Heaton Livestock Co  
Mailing Address: P.O. Box 100773  
City, State, Zip: Altam, Utah 84710  
Phone: 435 648 2124 Fax: 435 648 2124 Call First  
E-mail Address: rockink@altamutah.net

Type of Business: Corporation ☒ LLC ( ) Sole Proprietorship (dba) ( )  
Partnership ( ) General \_\_\_\_\_ or \_\_\_\_\_ limited  
Or:  
Individual ( )

Entity must be registered (and maintain registration) with the State of Utah, Division of Corporations (DOC) [www.commerce.utah.gov](http://www.commerce.utah.gov).

Are you currently registered to do business in the State of Utah? ☒ Yes ☐ No

Entity # 87-0276386

If no, contact [www.commerce.utah.gov](http://www.commerce.utah.gov) to renew or apply.

Local Business License # \_\_\_\_\_ (if required)

Issued by: County 7 or City \_\_\_\_\_

RECEIVED

AUG 16 2010

DIV. OF OIL, GAS & MINING

601736-0142



3. **Contact Person(s)**  
Name: Raymond V. Heaton Title: V. Pres  
Address: 40 N. 200 W  
City, State, Zip: Alton, Utah 84710  
Phone: 435 648 2124 Fax: 435 645 2124  
Emergency, Weekend, or Holiday Phone: Cell 435 691 2829  
E-mail Address: rockinh@altonutah.net

Contact person to be notified for: permitting ☒ surety ☒ Notices ☒ (please check all that apply)

Name: Raymond Heaton Title: V. Pres  
Address: Same as above  
City, State, Zip: Alton, Utah 84710  
Phone: 435 648 2124 Fax: 435 645 2124  
Emergency, Weekend, or Holiday Phone: Cell 435 691 2829  
E-mail Address: rockinh@altonutah.net

Contact person to be notified for: permitting ( ) surety ( ) Notices ( ) (please check all that apply)

Registered Utah Agent (as identified with the Utah Department of Commerce) (if individual leave blank):

Name: Karl Heaton  
Address: 40 S 100 W  
City, State, Zip: Alton, Utah 84710  
Phone: 435 648 2441 Fax: 435 645 2124  
E-mail Address: rockinh@altonutah.net

4. **If Business is a Sole Proprietor:**

Name of Owner: \_\_\_\_\_ Title: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

**If Business is a Corporation:**

Name of Officers: Karl Heaton Title: Pres  
Charles Heaton Title: V. Pres  
Raymond Heaton Title: V. Pres  
Headquarters Address: 40 S 100 W  
City, State, Zip: Alton, Utah 84710  
Headquarters Phone: 435 648 2124 Fax: 435 645 2124  
E-mail Address: rockinh@altonutah.net

**If Business is a Limited Liability Company: Member Managed G Manager Managed G**

Name of 1<sup>st</sup> Member/Manager: \_\_\_\_\_ Title: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

Name of 2<sup>nd</sup> Member/Manager: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_



**If Business is a Partnership:**

Name of Partner: \_\_\_\_\_  
Business Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
E-mail Address: \_\_\_\_\_

**5. Ownership of Land Surface:**

Private (Fee) ☒ G Public Domain (BLM) G National Forest (USFS) G  
State Trust Land/School Sections G State Sovereign Lands G  
Other (please describe): Public 100713  
Name Horton Bros LLC Address Alton, Utah 84710

Name \_\_\_\_\_ Address \_\_\_\_\_  
Name \_\_\_\_\_ Address \_\_\_\_\_  
Name \_\_\_\_\_ Address \_\_\_\_\_

**6. Ownership of Minerals:**

Private (Fee) ☒ G Public Domain (BLM) G National Forest (USFS) G  
State Trust Land/School Sections G State Sovereign Lands G  
Other (please describe): Public 100713  
Name Horton Bros LLC Address Alton, Utah 84710

Name \_\_\_\_\_ Address \_\_\_\_\_  
Name \_\_\_\_\_ Address \_\_\_\_\_  
Name \_\_\_\_\_ Address \_\_\_\_\_

BLM Lease or Project File Number(s) and/or USFS assigned Project Number(s): \_\_\_\_\_

BLM Claim Numbers \_\_\_\_\_

Utah State Lease Number(s): \_\_\_\_\_

Name of Lessee(s) \_\_\_\_\_

**7. Have the above surface and mineral owners been notified in writing?**

Yes ☒ No \_\_\_\_\_

If no, why not? \_\_\_\_\_

Please be advised that if State Trust Lands are involved, notification to the Division of Oil, Gas and Mining alone does not satisfy the notification requirements of Mineral Leases upon State Trust Lands. Exploration or mining activity on State Trust Lands requires a minimum of 60 days notice to the Trust Lands Administration prior to commencing any activities. Please contact the School Institutional Trust Lands Administration (SITLA) at (801) 538-5508 for notification requirements.

**8. Does the Entity have legal right to enter and conduct mining operations on the land covered by this notice? Yes ☒ No \_\_\_\_\_**



II. **PROJECT LOCATION & MAP** (Rule R647-3-105)

1. **Project Location & Map** (legal description):

County(ies): \_\_\_\_\_

NE 1/4, of SE 1/4, of SE 1/4: Section: 24 Township: T40S Range: R6W  
\_\_\_\_ 1/4, of \_\_\_\_ 1/4, of \_\_\_\_ 1/4: Section: \_\_\_\_ Township: \_\_\_\_ Range: \_\_\_\_  
\_\_\_\_ 1/4, of \_\_\_\_ 1/4, of \_\_\_\_ 1/4: Section: \_\_\_\_ Township: \_\_\_\_ Range: \_\_\_\_

UTM East \_\_\_\_\_ (if known) UTM North \_\_\_\_\_ (If known)

Name of Quad Map for Location: \_\_\_\_\_

2. **Location and Operations maps** must be plotted at a scale to accurately identify locational landmarks and operations details. All maps must include a north arrow, scale, appropriate labels, and title box including the mine name, township, range and section.

a. The **general location map** must be the scale of a USGS 7.5 minute series map or equivalent (1"=2000') and identify new or existing access roads.

b. The **operations map** (1"=200' or other scale as determined necessary by the Division) must be labeled and identify:

i. The area to be disturbed;

ii. The location of any existing or proposed operations including access roads, drill holes, trenches, pits, shafts, cuts, or other planned activities; and

iii. Any adjacent previous disturbance for which the operator is not responsible.

(Contact the Division for a list of consultants and land surveyors for mapping assistance.)

3. The proposed (5 acre or less) disturbed area (including access/haul roads) should be marked in the field ON THE GROUND with metal T-Posts (or with some other marker of equal effectiveness). Markers should be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

III. **OPERATION PLAN** (Rule R647-3-106)

1. Type of mining: Surface ☒ Underground ☐

2. Mineral(s) to be mined: gravel

3. Amount of material to be extracted, moved, or proposed to be moved: \_\_\_\_\_

4. Will any water, liquid chemicals, reagents, or other solutions be used, produced or discharged as part of the mining or milling process?

Yes ☐ No ☒ If yes, please describe (add extra pages if needed) \_\_\_\_\_



5. Provide a brief description of the proposed mining operation and onsite processing facilities (add extra pages if necessary). We plan to open a gravel pit and produce road base and possibly some screened gravel. There will be screens and a crusher set up on site.

6. ☐ New Road(s): Length \_\_\_\_\_ (ft) Width \_\_\_\_\_ (ft)

7. ☐ Improved Road(s): Provide a description of the improvements that need to be made to existing roads to access the site, including the Length 1300 (ft) and Width 12 (ft) of new disturbances. We will gravel an existing road.

8. Total project surface acreage to be disturbed: 2.68 (acres) PLEASE SPECIFY EXACT ACREAGE - (this will be used to determine surety bond amount - see #VI).

9. Proposed startup date (month, year) Sept May 2010

10. Proposed completion date, if known (month, year) \_\_\_\_\_

#### IV. OPERATION AND RECLAMATION PRACTICES (Rule R647-3-107, 108 & 109)

The reclamation and operation obligation is to keep the area clean and safe, minimize hazards to public safety, return the land to a useful condition, and reestablish at least 70 percent of the premining vegetative ground cover or within practical limits. To accomplish this, the Permittee / Operator will need to perform reclamation concurrently, or at the completion (within one (1) year) of mining. Please refer to The Practical Guide to Reclamation in Utah, available at [https://fs.ogm.utah.gov/pub/MINES/Coal\\_Related/RecMan/Reclamation\\_Manual.pdf](https://fs.ogm.utah.gov/pub/MINES/Coal_Related/RecMan/Reclamation_Manual.pdf).

1. Keep the mining operation in a safe, clean, and environmentally stable condition.
2. Permanently seal all shafts and tunnels to prevent unauthorized or accidental entry.
3. Plug drill holes with a five foot cement surface plug. Holes that encounter fluids are to be plugged in the subsurface to prevent aquifer contamination.
4. Construct berms, fences, or barriers, when needed, above highwalls and excavations.
5. Remove, isolate, or neutralize all toxic materials in a manner compatible with federal and state regulations.
6. Remove all waste or debris from stream channels.
7. Dispose of any trash, scrap metal, wood, machinery, and buildings.
8. Conduct mining activities so as to minimize erosion and control sediment.
9. Reclaim all roads that are not part of a permanent transportation system.
10. Stockpile topsoil and suitable overburden prior to mining.



11. Stabilize highwalls by backfilling or rounding to 45 degrees or less, where feasible; reshape the land to near its original contour, and redistribute the topsoil and suitable overburden.
12. Properly prepare seedbed to a depth of six inches by pocking, ripping, discing, or harrowing. Leave the surface rough.
13. Reseed disturbed areas with adaptable species. (The Division recommends a mixture of species of grass, forb, and browse seed, and will provide a specific species list if requested.)
14. Plant the seed with a rangeland or farm drill, or broadcast the seed. Fall is the preferred time to seed.

**V. VARIANCE REQUEST (Rule R647-3-110)**

**Any variance request must be approved in writing by the Division**

Any planned deviations from Rules R647-3-107, Operation Practices, R647-3-108, Hole Plugging Requirements, or R647-3-109, Reclamation Practices, as summarized above (see IV. Operation and Reclamation Practices Item # 1-14), should be identified below listing applicable rule number. Give justification for the variance(s) and alternate methods or measure to be utilized. Written approval from the Division will be given, if the proposed alternative methods to be used are consistent with the Act.

Are variances being requested? Yes ☐ No ☒

**1<sup>st</sup> Variance Requested**

Item # \_\_\_\_\_ Applicable Rule # (i.e. R647-3-109.10 (if you did not want trenches & pits reclaimed))  
 Justification: \_\_\_\_\_  
 Alternate methods or measure to be utilized: \_\_\_\_\_

**2<sup>nd</sup> Variance Requested**

Item # \_\_\_\_\_ Applicable Rule # \_\_\_\_\_  
 Justification: \_\_\_\_\_  
 Alternate methods or measure to be utilized: \_\_\_\_\_

**3<sup>rd</sup> Variance Requested**

Item # \_\_\_\_\_ Applicable Rule # \_\_\_\_\_  
 Justification: \_\_\_\_\_  
 Alternate methods or measure to be utilized: \_\_\_\_\_

Attach additional page if more variances are requested.

**VI. SURETY (Utah Code Ann. §40-8-7(1)(c))**

**A reclamation contract and surety must be provided to and approved by the Division prior to commencement of operations. No surface disturbance is authorized until the surety is posted and approved in writing.** The surety may be provided in the form of a certificate of deposit, a letter of credit, a surety bond, or cash. Please contact the Division for further information about submitting the surety. All mining operations are required to furnish and maintain reclamation surety to guarantee that the land affected is reclaimed (Utah Code Ann. §40-8-7(1)(c)).



The reclamation surety amount is based on the nature, extent and duration of operations. The amounts are based on data from current large mine surety and are used as a general guide, along with actual site conditions. Reclamation surety for small mines is reviewed every three (3) or five (5) years and adjusted as necessary for inflation/deflation based upon acceptable Costs Index. **Contact the Division for the dollar amount required for a three (3)-or five (5) year period for this project.**

**VII. PERMIT FEE** (Utah Code Ann. §40-8-7(1)(i))

A permittee's authorization under a notice of intention to conduct small mining operations shall require the paying of permit fees as authorized by the Utah Legislature (R647-3-102.5). Permit fees are assessed to new and existing small mining operations, and annually thereafter, until the project disturbances are successfully reclaimed by the Permittee / Operator and released by the Division.

***Small Mine Notices require a \$150.00 fee, which must accompany this application, or the Division cannot process it.***

**VIII. SIGNATURE REQUIREMENT**

**CERTIFICATION**

I state under penalty of perjury under the laws of the state of Utah and the United States of America that:

- a. I have read this form and declare the information, statements and/or documentation are true, correct and complete to the best of my knowledge and belief; AND
- b. I commit to the reclamation of the aforementioned small mining project as required by the Utah Mined Land Reclamation Act (40-8) and the rules as specified by the Board of Oil, Gas and Mining.
- c. **This certification must be signed by:** (1.) an executive officer if the applicant is a corporation; (2.) a partner if applicant is a partnership (general or limited); (3.) the owner if applicant is a sole proprietorship; or (4.) the member or manager if applicant is a limited liability company.

Signature: Raymond V. Heaton Date: 4/25/10  
Name (typed or printed): Raymond V. Heaton  
Title/Position (if applicable): V. Pres.

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